

RECLAMATION

Managing Water in the West

Finding Of No Significant Impact

Coyote Ridge (UTC) Serpentine Habitat Land Acquisition Project

Recommended: Doug Weissmuth Date: 9/15/10
Environmental Specialist

Recommended: Dan Fluty Date: 9/21/10
Program Manager, Central Valley
Project Conservation Program

Approved: Mike Chasinski Date: 9/24/10
Chief, Division of Environmental
Affairs

FONSI No. 10-35-MP



U.S. Department of the Interior
Bureau of Reclamation
Mid-Pacific Region

Background

The Bureau of Reclamation (Reclamation) proposes to provide \$600,000 from the Central Valley Project Conservation Program (CVPCP) to the Nature Conservancy (TNC) to contribute to fee title acquisition of the 1,638-acre United Technologies Corporation (UTC) Pratt & Whitney property at Coyote Ridge. The total cost of acquisition is estimated at \$15,076,218.

The property is located on Metcalf Road, southeast of San Jose, and due east of the small town of Coyote, just east of Highway 101 in Santa Clara County.

The purpose of the action is to acquire in fee 1,638 acres of the UTC site on Coyote Ridge in Santa Clara County in order to permanently protect habitat for the Federally-listed Bay checkerspot butterfly, Metcalf Canyon jewel-flower, Santa Clara Valley dudleya, California red-legged frog, and California tiger salamander, as well as other sensitive species. Permanent protection of these lands will help to ensure the long-term sustainability of the rare and sensitive species supported by these habitats.

Findings

Reclamation prepared an environmental assessment (EA) on the proposed grant in September 2010 which is incorporated by reference. The Division of Environmental Affairs of the Mid-Pacific Region of Reclamation has found that the proposed action is not a major Federal action that would significantly affect the quality of the human environment. Therefore, an environmental impact statement is not required for carrying out the proposed action. The EA complies with the Council of Environmental Quality's National Environmental Policy Act Regulations and other requirements such as the Endangered Species Act, the National Historic Preservation Act, and local and State requirements. It meets Reclamation's public involvement requirements.

Following are the reasons why the impacts of the proposed action are not significant:

1. Acquisition of the parcel will not change land use.
2. The purchase will permanently protect the parcel and thus provide a long-term, perpetual benefit to the target species and habitat. On May 10, 2010, Reclamation initiated informal consultation with the Fish and Wildlife Service on the activities for projects in the CVPCP and the Habitat Restoration Program for Fiscal Year 2010. The Service concurred on August 17, 2010 that the projects, including acquiring the Coyote Ridge property, are not likely to adversely affect listed species.
3. The proposed action has no potential to affect historic properties.
4. The proposed action will not affect any Indian Trust Assets.
5. Implementing the proposed action will not disproportionately affect minorities or low-income populations and communities.
6. The proposed action will not have significant cumulative impacts.
7. There is no potential for the effects to be considered highly controversial.

RECLAMATION

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Environmental Assessment

Coyote Ridge (UTC) Serpentine Habitat Land Acquisition Project



**U.S. Department of the Interior
Bureau of Reclamation
Mid-Pacific Region**

September 2010

Background

The Bureau of Reclamation (Reclamation) proposes to provide \$600,000 from the Central Valley Project Conservation Program (CVPCP) to the Nature Conservancy (TNC) to contribute to fee title acquisition of the 1,638-acre United Technologies Corporation (UTC) Pratt & Whitney property at Coyote Ridge. The total cost of acquisition is estimated at \$15,076,218.

The UTC property is part of an old Mexican land grant and therefore was not surveyed as part of the Public Land Survey System. The property is located on Metcalf Road, southeast of San Jose, and due east of the small town of Coyote, just east of Highway 101 in Santa Clara County (See Figure 1, United Technologies – Location Map).

Purpose and Need for Action

The purpose of the action is to purchase the 1,638 acres of the UTC site on Coyote Ridge in Santa Clara County in order to permanently protect habitat for the Federally-listed Bay checkerspot butterfly, Metcalf Canyon jewel-flower, Santa Clara Valley dudleya, California red-legged frog, and California tiger salamander, as well as other sensitive species. Permanent protection of these lands will help to ensure the long-term sustainability of the rare and sensitive species supported by these habitats.

Proposed Action and Alternatives

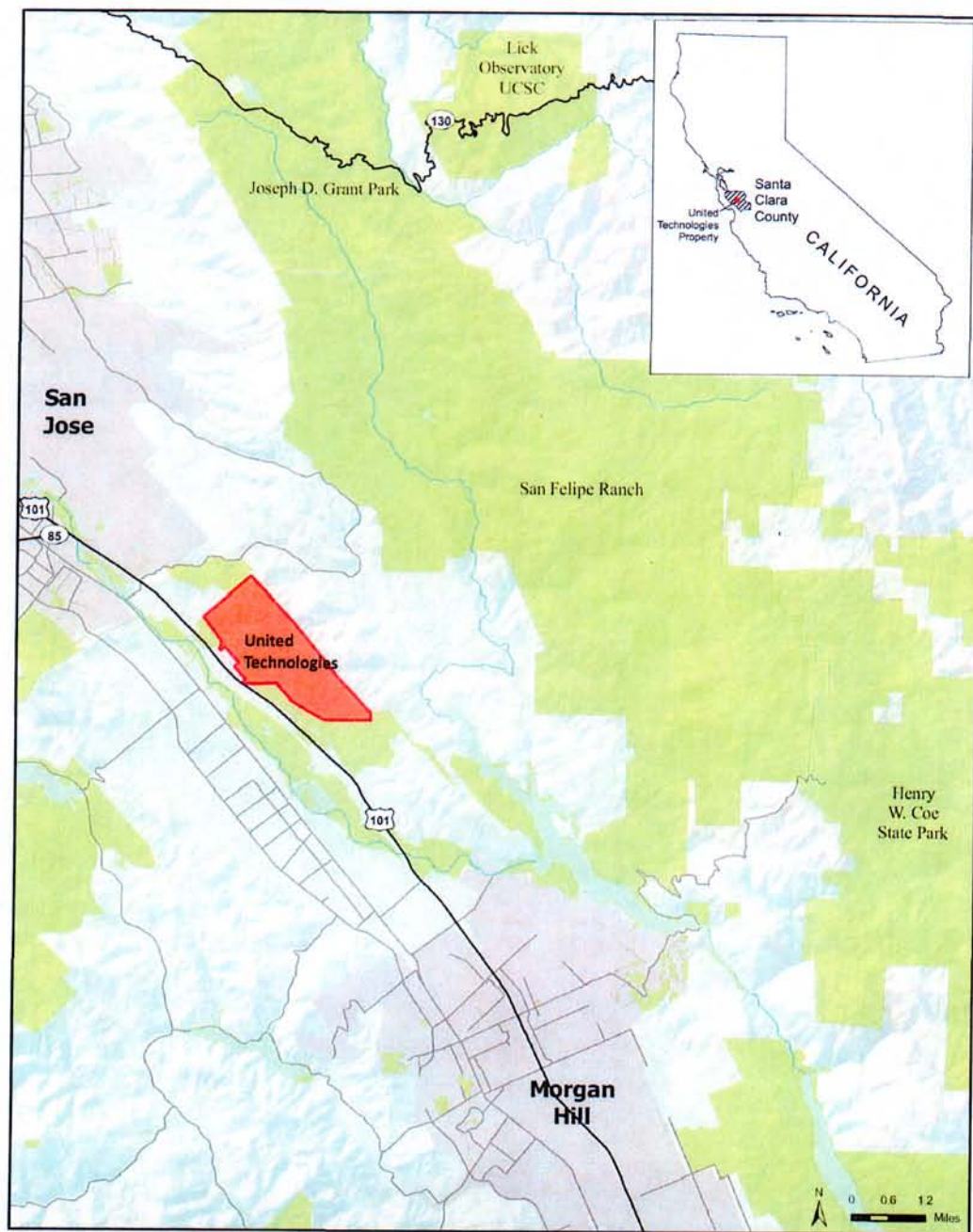
No Action: Reclamation would not contribute \$600,000 of CVPCP funds to TNC to help purchase the UTC site. TNC would be required to obtain the \$600,000 from other private and public sources, in addition to \$14,476,218 of non-CVPVP funds that TNC will have to obtain.

Proposed Action: Reclamation would provide \$600,000 from the CVPCP to TNC to help acquire the UTC site. TNC would get the remaining \$14,476,218 from other sources. Potential funding sources include the Santa Clara Valley Water District, Santa Clara County Open Space Authority, the state Wildlife Conservation Board, and the Cooperative Endangered Species Conservation Fund. TNC's Central Coast Opportunity Fund is supported by a grant from the Packard Foundation to leverage other funding opportunities for high priority acquisitions in the Central Coast Region.

Affected Environment and Environmental Consequences

Introduction

The serpentine habitats on Coyote Ridge are remarkably intact. On the east side of Highway 101, there is little development on or around the Ridge, and the surrounding land uses are agricultural, predominantly grazing. The adjacent portion of the UTC property that is not on Coyote Ridge – and is not being considered for acquisition at this time – is the former Pratt & Whitney rocket



United Technologies - Location Map

The Nature Conservancy
Conserving the Land We All Depend On

Figure 1. United Technologies Location Map

testing site. The site is no longer in use for this purpose, and UTC has been in the process of decommissioning the site for the last several years, including removing all buildings, many of which were contaminated due to the past use. The portion of the UTC property to be acquired was considered the Buffer Area for the testing site and has never had buildings or structures of any kind on it, and as such was not exposed to contaminants. Nevertheless, due to the proximate uses of the property, thorough Phase 1 Environmental Site Assessments would be completed prior to any acquisition of any portion of this property.

Biological Resources

Affected Environment

All four parcels contained in the property are dominated by serpentine grassland. Serpentine barrens (outcrops of rock or soil) are also scattered widely across the property. Riparian vegetation along with seasonal and perennial drainages and six freshwater wetlands (stock ponds fed by seeps) are also present. Serpentine-derived soils naturally contain high levels of certain metals and low levels of some plant nutrients. Undeveloped serpentine habitat is highly restricted in California, particularly in the San Francisco Bay Area's Santa Clara Valley, where this property is located. TNC classifies serpentine habitat as "irreplaceable." Where they have been properly managed, these soils support an unusually diverse and intact native plant community relative to other annual grasslands in California, and a suite of endemic plants and animals.

Best management of serpentine grasslands and barrens at a large scale includes light-to moderate seasonal or annual livestock grazing. The UTC property on Coyote Ridge is managed with year-round cattle grazing at a level appropriate to suppress invasive plant species, particularly annual grasses, and support native and sensitive plants and animals.

Species surveys by UTC's consultants have identified the following Federally-listed species associated with serpentine habitat: Bay checkerspot butterfly (*Euphydryas editha bayensis*), Metcalf Canyon jewelflower (*Streptanthus albidus* ssp. *albidus*), and the Santa Clara Valley dudleya (*Dudleya setchellii*). Opler's longhorn moth (*Adella oplerellah*), proposed for Federal listing, has been found on the property. Other species identified as sensitive by the California Native Plant Society have also been found: Mount Hamilton fountain thistle (*Cirsium fontinale* var. *campylon*), fragrant fritillary (*Fritillaria liliacea*), Loma Prieta hoita (*Hoita strobilina*), most beautiful jewel-flower (*Streptanthus albidus* ssp. *peramoenus*), San Francisco wallflower (*Erysimum franciscanum*), smooth lessingia (*Lessingia micradenia* var. *glabrata*), and Hall's bushmallow (*Malacothamnys hallii*) (UTC 2009). All of these species are in habitats that have been historically maintained to support these species (Weiss 2009).

The stock ponds on the property are fed by natural seeps and springs and contain water most or all of the year. Livestock grazing has maintained appropriate levels of vegetation in and around the ponds to support robust populations of the following sensitive aquatic species: California red-legged frog (*Rana aurora draytonii*), and California tiger salamander (*Ambystoma californiense*). Pallid bat (*Antrozous pallidus*), a California species of special concern, is also known from the site (UTC 2009).

In addition to the rare and sensitive species found there, the property contains diverse native species and intact habitat for them. Some important species present on the property include native bunchgrasses and forbs such as purple needlegrass (*Nassella pulchra*) and California plantain (*Plantago erecta*), the primary host plant for Bay checkerspot butterfly larvae, migratory and resident songbirds and raptors such as horned lark (*Eremophila alpestris*) and golden eagle (*Aquila chrysaetos*), and small and large mammals including tule elk (*Cervus elaphus nannodes*) and California ground squirrel (*Spermophilus beecheyi*), which create burrows used between breeding seasons by California tiger salamander.

Coyote Ridge is also a critical habitat linkage, enabling wildlife to move between Mount Hamilton and the greater Diablo Range to and from the Santa Cruz Mountains and the Outer Coast Range. Species such as the San Joaquin kit fox (*Vulpes macrotis mutica*) are known to use the area as they migrate to find new den sites and food sources. The value of Coyote Ridge as a habitat linkage is extremely high; only one other possible corridor links the Diablo Range and the Outer Coast Range in the Santa Clara Valley.

Environmental Consequences – Proposed Action

Acquisition of the UTC property would protect in perpetuity the entire habitat and species on the 1,638-acre site. Special status species that will benefit are described above in the Affected Environment section.

Securing protection of serpentine habitat on the UTC property that currently supports many native serpentine species would ensure that long-term research and conservation objectives that are a critical part of the *Recovery Plan for Serpentine Soil Species of the San Francisco Bay Area* (USFWS 1998) that will be able to occur in the future at this site.

The project is also located near other projects funded by CVPCP and the Habitat Restoration Program (HRP), Reclamation's other Central Valley Project related mitigation program. The UTC property is within a few miles of the 2007 CVPCP-funded Metcalf Jewelflower Propagation & Reproduction Project. In addition, protection of UTC would expand upon protection of land in the Mount Hamilton Range, including TNC's acquisition of the 32,800-acre Simon Newman Ranch and 28,152-acre Romero Ranch in 1998, both funded in part by CVPCP/HRP.

Project Site Connectivity: The portion of the UTC property to be acquired is adjacent to Valley Transit Authority's 548-acre mitigation site purchased to offset impacts to native habitat from highways in the area. The site is managed for protection and preservation of serpentine habitats and species by the Santa Clara County Open Space Authority. There are several other smaller parcels that have been protected as part of mitigation agreements on Coyote Ridge that are now protected and managed for serpentine habitats. Beyond Coyote Ridge there have been significant investments in conservation made by state, local and private land protection organizations. These include nearby Anderson Lake and Coyote Creek County Park, Santa Teresa County Park (another serpentine habitat site), Henry Coe State Park, Grant County Park, and TNC's San Felipe Ranch conservation easement. Altogether, there are over 325,000 acres of

conserved lands in the Mount Hamilton Range that protect a broad array of diversity in a large, intact, and mostly unspoiled landscape.

Environmental Consequences – No Action

If Reclamation does not provide funding to help purchase the site, TNC would have to find additional funds from the potential funding sources. The effects of no action would be the same as the proposed action if these funds were obtained. If not, TNC may not be able to purchase the site. As UTC winds down its operations at the site, they may consider selling the site for non-conservation purposes. While development of serpentine soils is challenging, uses that degrade the habitats have been approved on other portions of Coyote Ridge including OHV use at Motorcycle County Park, a dump at Kirby Canyon Landfill, and residential development along Metcalf Road. Furthermore, UTC is currently leasing the property for cattle grazing. Livestock grazing is critical for managing the amount of nonnative annual grasses on the site that threaten the continued existence of the listed plants and Bay Checkerspot Butterfly. When TNC acquires the property they will continue to manage nonnative plants using livestock grazing in perpetuity. Should Reclamation not provide funding and TNC is not able to acquire the full amount of funding for the purchase, UTC may sell the property to another party who will not provide livestock grazing, an action that would seriously threaten the long-term survival and recovery of the species.

Cultural Resources

Cultural resources is a broad term that includes prehistoric, historic, architectural, and traditional cultural properties. The National Historic Preservation Act (NHPA) of 1966 is the primary Federal legislation that outlines the Federal Government's responsibility to cultural resources. Section 106 of the NHPA requires the Federal Government to take into consideration the effects of an undertaking on cultural resources listed on or eligible for inclusion in the National Register of Historic Places (NRHP). Those resources that are on or eligible for inclusion in the NRHP are referred to as historic properties.

The Section 106 process is outlined in the Federal regulations at 36 Code of Federal Regulations (CFR) Part 800. These regulations describe the process that the Federal agency (Reclamation) takes to identify cultural resources and the level of effect that the proposed undertaking will have on historic properties. In summary, Reclamation must first determine if the action is the type of action that has the potential to affect historic properties. If the action is the type of action to affect historic properties, Reclamation must identify the area of potential effects (APE), determine if historic properties are present within that APE, determine the effect that the undertaking will have on historic properties, and consult with the State Historic Preservation Office (SHPO), to seek concurrence on Reclamation's findings. In addition, Reclamation is required through the Section 106 process to consult with Indian Tribes concerning the identification of sites of religious or cultural significance, and consult with individuals or groups who are entitled to be consulting parties or have requested to be consulting parties.

The Coyote Ridge project is located on the eastern periphery of the Santa Clara Valley in the lower foothills of the Diablo Range. The aboriginal occupants of the Santa Clara Valley and surrounding environs belong to a group identified by the Spanish Missionaries as the "Costanoans". These people were subject to rapid disruption by Spanish intrusion in the 1770s but many aboriginal descendants persist to this day and now most self-identify as Ohlone. The project area is set in an area typically ascribed to the Tamien subdivision of these people. The prehistoric archaeological record in the region definitely extends as far back as 5,000 to 7,000 years and older archaeological material almost certainly exists in the region but has not yet been identified. Historic period archaeological sites are most often related to the mission period, grazing, and industrial developments in the more recent past.

Environmental Consequences – Proposed Action

The proposed action will involve the use of Federal appropriations to purchase UTC lands for TNC. The current action to provide funds to assist in the purchase of these lands for the TNC has no potential to cause effects to historic properties pursuant to 36 CFR Part 800.3(a)(1) of the Section 106 implementing regulations since the TNC will hold these lands in perpetuity with no development planned and no changes in current land use. The proposed action will have no impact to cultural resources.

Environmental Consequences – No Action

The No Action alternative will result in the perpetuation of existing conditions within the project area. The decision to implement the No Action Alternative would result in no Federal Undertaking as defined by Section 301(7) of the NHPA. Without an undertaking, Reclamation would not implement Section 106 review. The No Action alternative would result in no impact to cultural resources by Reclamation.

Indian Trust Assets

Indian Trust Assets (ITAs) are legal interests in property or rights held in trust by the United States for Indian Tribes or individual Indians. Indian reservations, Rancherias, and Public Domain Allotments are common ITAs in California. There are no ITAs at or near the project site. Therefore, the Proposed Action would not adversely affect ITAs.

Environmental Justice

Executive Order 12898 requires each Federal Agency to identify and address disproportionately high and adverse human health or environmental effects, including social and economic effects of its program, policies, and activities on minority populations and low-income populations. Since there would be no change in existing or similar land uses, there would be no adverse human health or environmental effects to minority or low-income populations.

Consultation and Coordination with Others

Meetings

The CVPCP and HRP Technical Team reviewed and ranked the acquisition proposal during the HRP and CVPCP proposal review period. The proposal ranked in the top tier of land acquisition proposals and was selected for funding following this evaluation of the project. A site visit was also conducted as part of this review.

Applicable Laws and Regulations

National Environmental Policy Act of 1970

The National Environmental Policy Act (NEPA) process is intended to help public officials make decisions that are based on an understanding of environmental consequences and take actions that protect, restore, and enhance the environment. Regulations implementing NEPA are set forth by the Council on Environmental Quality (CEQ). Reclamation has followed NEPA and CEQ regulations in the development of proposed action for this EA.

Endangered Species Act (16 USC. 1521 et seq.)

Section 7 of this Act requires Federal agencies to ensure that all federally associated activities within the United States do not jeopardize the continued existence of threatened or endangered species or result in the destruction or adverse modification of the critical habitat of these species. Action agencies must consult with the U.S. Fish and Wildlife Service, which maintains current lists of species that have been designated as threatened or endangered, to determine the potential impacts a project may have on protected species.

On May 10, 2010, Reclamation initiated informal consultation with the Fish and Wildlife Service (Service) on the activities for projects in the CVPCP and the Habitat Restoration Program for Fiscal Year 2010. The Service concurred on August 17, 2010 that the projects, including this proposed action, are not likely to adversely affect listed species.

National Historic Preservation Act (16 USC 470 et. seq.)

The National Historic Preservation Act (NHPA) of 1966 is the primary Federal legislation which outlines the Federal Government's responsibility to cultural resources. Section 106 of the NHPA requires the Federal Government to take into consideration the effects of an undertaking listed on cultural resources on or eligible for inclusion in the NRHP. Those resources that are on or eligible for inclusion on the National Register are referred to as historic properties. The 36 CFR Part 800 regulations that implement Section 106 of the NHPA describe how Federal agencies address these effects. The Proposed Action was determined to be the type of activity that does

not have the potential to cause effects to historic properties pursuant to 36 CFR Part 800.3(a)(1). As such, no further obligations under Section 106 of the National Historic Preservation Act were required.

Attached is the regional archeologist review memo.

Indian Trust Assets

The proposed project was reviewed by Reclamation's Mid-Pacific Regional Office, Indian Trust Assets Coordinator, Patricia Rivera and a "no impacts to Indian Tribal Trust Assets" concurrence was received on May 4, 2010.

Bibliography

UTC- Pratt and Whitney Rocketdyne Inc. 2009. List of Potentially Occurring Plant Species. SCP 2009 Projects Plan and JARPA. Provided to The Nature Conservancy October 2009 along with maps of occurrences of rare plants and animals documented by Arcadis Inc.

Weiss, Stuart. 2009. Kirby Canyon Butterfly Trust Annual Reports for 2006-2008: Population Trends and Other Conservation Activities.

Recovery Plan for Serpentine Soil Species of the San Francisco Bay Area, USFWS, 1998.

Attachment

Cultural Resources Memo

Tue 9/14/2010 1:24 PM

Tracking #10-MPRO-178 Coyote Ridge UTC Section 106 Review Complete

Tracking #: 10-MPRO-178

Project: Coyote Ridge (UTC) Serpentine Habitat Acquisition

Location: Santa Clara County, California; Morgan Hill 7.5' USGS topographic quadrangle

Unsectioned area south of Metcalf Road and east of Highway 101

Doug,

The proposed action by the Bureau of Reclamation (Reclamation) to provide funds to the Nature Conservancy (TNC) to assist in the fee title acquisition of the 1,638-acre United Technologies Corporation (UTC) Pratt & Whitney property at Coyote Ridge has no potential to cause effects on historic properties and will result in no impacts to cultural resources. Reclamation proposes to provide TNC with \$600,000 from the Central Valley Project Conservation Program (CVPCP) to help TNC acquire the property at a total estimated cost of about \$15,076,218.

The purpose of the action by TNC is to purchase the UTC site on Coyote Ridge in Santa Clara County to permanently protect habitat for the Federally-listed Bay checkerspot butterfly, Metcalf Canyon jewel-flower, Santa Clara Valley dudleya, California red-legged frog, and California tiger salamander, as well as other sensitive species. Permanent protection of these lands as undeveloped parcels will help to ensure the long-term sustainability of the rare and sensitive species supported by these habitats and would protect in perpetuity the entire habitat and species on the 1,638-acre site. Preservation of this property as open space also has regional benefits because the Coyote Ridge is a critical habitat linkage, enabling wildlife to move between Mount Hamilton and the greater Diablo Range to and from the Santa Cruz Mountains and the Outer Coast Range. Finally, conservation of the UTC property would enhance other significant conservation investments adjacent and nearby made by state, local and private land protection organizations. No new ground disturbance is planned and no new land will be put into agricultural production as a direct result of the Proposed Action.

As the Proposed Action has no potential to cause effects on historic properties pursuant to 36 CFR Part 800.3(a)(1), no additional consideration under Section 106 of the National Historic Preservation Act is required. Thank you for the opportunity to review the Proposed Action. Please place a copy of this correspondence with the EA administrative record. I have also submitted a copy of the draft EA with suggested edits to the "Cultural Resources" and

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“Consultation and Coordination with Others” sections under a separate e-mail.

Regards,
Tony

Stephen (Tony) Overly, M.A. Archaeologist
U.S. Bureau of Reclamation, Mid-Pacific Region
2800 Cottage Way, MP-153
Sacramento, CA 95825
916-978-5552

